



CALIFORNIA GAMBLING CONTROL COMMISSION
300 CAPITOL MALL, SUITE 300, SACRAMENTO, CA 95814
P.O. BOX 526013, SACRAMENTO, CA 95852-6013
(916) 322-3095 · FAX (916) 322-5441

722 CAPITOL MALL
SACRAMENTO, CALIFORNIA 95814

MINUTES OF COMMISSION MEETING OCTOBER 10, 2001

OPEN SESSION

Chairman Hensley called the meeting of October 10, 2001, to order at 1:03 p.m. with Chairman Hensley and Commissioners Sasaki, Smith, and Palmer present.

Staff Present: Cara Podesto, Manager, Application Section and Peter Melnicoe, Chief Counsel.

The Pledge of Allegiance was recited.

Commissioner Palmer moved to approve the September 19, 2001, Commission Meeting Minutes. Commissioner Smith seconded the motion, which was adopted unanimously.

DECISION ITEMS:

Item 1. Cardroom Approval of Work Permit Applications:

- a. Empire Sportsmen's Association:
Huon, Seng

Manager Podesto stated that staff recommends having Item 1, sub-item a., tabled pending receipt of additional information from the Division in order to make a determination. Commissioner Smith moved to have the matter continued until such time that the Commission had reviewed additional information to be provided by the Division. Commissioner Palmer seconded the motion, which was approved unanimously.

Gambling Control Commission
Commission Meeting Minutes of October 10, 2001
Page 2

- b. Jok-Erz Wild Casino:
Provolt, Nicole
Westbrook, Melanie

Manager Podesto indicated that both Division of Gambling Control and Commission staff recommend approval of Item 1, sub-item b. Commissioner Palmer moved to approve license renewal for Item 1, sub-item b. Commissioner Sasaki seconded the motion, which was adopted unanimously.

Item 2. Cardroom Approval of Sale:

- a. Wizard Gaming Inc.:
Diamond Jim's Casino

Manager Podesto indicated that Item 2 was related to Item 3. Both the Division of Gambling Control and Commission staff recommend approval of Item 2. Commissioner Smith noted concerns relevant to follow-up matters of prior complaints on the casino, and made a request to have a qualified staff person from the Division who could address such issues present at future Commission Meetings. Manager Podesto indicated that the issues raised by Commissioner Smith were noted and would be relayed to the Division. Commissioner Sasaki requested that the Commission be provided separate approval criteria documents to use in their review of future items. Manager Podesto informed the Commission that staff has already put forward a request to the Division.

Commissioner Palmer moved to approve the sale of the Cardroom. Chairman Hensley seconded the motion, which was unanimously adopted.

Item 3. Cardroom Approval of State Gambling License:

- a. Diamond Jim's Casino: Wizard Gaming, Inc.

Manager Podesto indicated that both the Division of Gambling Control and Commission staff recommended approval of Item 3. Commissioner Palmer moved to approve the State Gambling License to be in effect for the specified period of October 10, 2001, through September 30, 2002. Chairman Hensley seconded the motion, which was unanimously adopted.

Item 4. Cardroom Approval of State Gambling License Renewal:

- a. California Grand Casino: Lamar Wilkinson, Sole Proprietor.
- b. Comstock Card Room: Joseph & Monica Melech, Sole Proprietor.
- c. Empire Sportsmen's Association: Gary & Debra Baird, a Benevolent Non-profit California Corporation.
- d. Hotel Del Rio and Casino: Charlene & Ralph Hand, Sole Proprietor.
- e. S&K Cardroom: Otho Smith, Sole Proprietor.
- f. The Palace Card Club: Katherine Bousson: Sole Proprietor.

Manager Podesto presented Item 4, sub-items a. – f., to the Commission for approval of Gambling License renewals with the exception of Item 4, sub-item e., due to the need for additional information from the Division. Chairman Hensley moved to table Item 4, sub-item e., until the next Commission Meeting. Commissioner Sasaki seconded the motion, which was unanimously adopted.

Manager Podesto indicated that both the Division of Gambling Control and Commission staff recommend approval of license renewal for Item 4, sub-item a. Commissioner Smith moved to approve Item 4, sub-item a. Commissioner Sasaki seconded the motion, which was unanimously adopted.

Manager Podesto indicated that both the Division of Gambling Control and Commission staff recommend approval of license renewal for Item 4, sub-item b. Commissioner Palmer moved to approve Item 4, sub-item b. Commissioner Smith seconded the motion, which was unanimously adopted.

Manager Podesto indicated that both the Division of Gambling Control and Commission staff recommend approval of license renewal for Item 4, sub-item c. Commissioner Palmer moved to approve Item 4, sub-item c. Commissioner Smith seconded the motion, which was unanimously adopted.

Manager Podesto indicated that both the Division of Gambling Control and Commission staff recommend approval of license renewal for Item 4, sub-item d. Commissioner Sasaki moved to approve Item 4, sub-item d. Commissioner Smith seconded the motion, which was unanimously adopted.

Manager Podesto indicated that both the Division of Gambling Control and Commission staff recommend approval of license renewal for Item 4, sub-item f. Commissioner Smith moved to approve Item 4, sub-item f. Commissioner Sasaki asked staff to ensure the business license was renewed and seconded the motion, which was unanimously adopted.

5. Report on the Rulemaking Process Under the Administrative Procedure Act:

Herb Bolz, Senior Legal Counsel, provided the Commission with a report on the “Rulemaking Process Under the Administrative Procedure Act”, which included an additional topic entitled “Procedural Steps For Initial Adoption of Emergency Regulations; and Making Them Permanent.” Mr. Bolz indicated on average, the regulation process takes seven to eight months to complete and that emergency regulations can only be approved for 120 days.

PUBLIC COMMENT:

There were no comments received from members of the public. Chairman Hensley commented on the Gaming Policy Advisory Committee, and informed those present that the Commission will begin accepting applications for committee members. Chairman

Hensley indicated that the application filing period was October 11, 2001, through November 12, 2001, and individuals wanting to apply could obtain an application by accessing the Commission website at cgcc@ca.gov.

CONSENT CALENDAR ITEMS: None.

CLOSED SESSION

Chairman Hensley announced that the Commission would be going into closed session. At 1:37 p.m., the Commission adjourned to closed session after Commission Counsel stated that discussions concerning litigation would take place under Government Code Section 11126(c) and 11126(e), and personnel issues under Government Code Section 11126(a)(1).

RECONVENE OPEN SESSION

Chairman Hensley reconvened the open session at 2:03 p.m., indicated there were no announcements, and moved to adjourn the meeting. Commissioner Smith seconded the motion, which was adopted unanimously; the meeting was adjourned at 2:04 p.m.